



**American Recovery and Reinvestment Act Update
Tennessee Department of Environment and Conservation
March 25, 2009**

The American Recovery and Reinvestment Act signed by President Obama on February 17, 2009 specifically include these projects and programs connected to the Tennessee Department of Environment and Conservation:

- **Clean Water State Revolving Fund and Drinking Water State Revolving Fund**
- **Diesel Emissions Reduction**
- **Leaking Underground Storage Tanks**
- **Brownfields Assessment and Cleanup**
- **Superfund Hazardous Waste Cleanup**

Clean Water State Revolving Fund and Drinking Water State Revolving Fund

ARRA FUNDS: Tennessee will apply to receive \$56,930,445 for its Clean Water State Revolving Fund and \$20,238,000 for its Drinking Water State Revolving Fund from capitalization grants provided by ARRA.

The decision-making process for moving forward will be similar to the existing SRF grant and loan review processes, with additional measures to ensure all criteria of the Act are being met. Preference will be given to projects that are ready to proceed to construction in order to meet the ARRA's requirement for activities that can be started and completed expeditiously.

There will be extensive reporting requirements for ARRA funding allocated through the State Revolving Fund program. All ARRA funds through the SRF program must be obligated by Feb. 17, 2010 and utilities, water authorities or communities must have a signed construction contract or must have begun construction by the same date.

The department must submit an Intended Use Plans to EPA to receive funding through SRF and those plans are developed through and finalized through a public participation process. These lists do not indicate who is getting funded, but they include a Priority Ranking List that ranks project applications.

The department conducted public meetings on March 20, 2009 to present the draft fiscal year 2009 Intended Use Plans for the Clean Water and Drinking Water State Revolving Fund capitalization grants from the American Recovery and Reinvestment Act of 2009.

Intended Use Plans serve as the planning documents for the state's intended use of the ARRA's federal appropriations for the DWSRF and CWSRF. Intended Use Plans include the Priority Ranking Lists of eligible water and sewer projects and explanations of the intended uses of the set-asides for non-project activities, DWSRF and CWSRF Loan Program goals, and the criteria and methods used for distributing funds.

The draft IUPs will become final after a 10-day post-public meeting comment period. The public comment period is open on the Intended Use Plan until April 3, 2009.

The draft IUPs and Priority Ranking Lists are posted online: www.tn.gov/environment/srf

Draft Clean Water SRF Intended Use Plan:
<http://tn.gov/environment/srf/pdf/cwiup.pdf>

Draft Clean Water SRF Priority List:
<http://tn.gov/environment/srf/pdf/cwsrfprl.pdf>

Draft Drinking Water SRF Intended Use Plan:
<http://tn.gov/environment/srf/pdf/dwiup.pdf>

Draft Drinking Water DWSRF Priority List:
<http://tn.gov/environment/srf/pdf/dwsrfprl.pdf>

The combined draft Priority Ranking Lists had approximately 500 project requests totaling more than \$1.5 billion for an available amount of slightly more than \$77 million from the ARRA. These proposed projects reflect responses to department notices sent out to potential SRF applicants on January 8, 2009 with a request for proposal submission to the department by February 16, 2009.

The draft Clean Water SRF Priority Ranking List has a sufficient number of green projects to meet the ARRA's 20 percent Green Reserve requirements.

Diesel Emissions Reduction Grants

ARRA FUNDS: Tennessee is scheduled to receive \$1.7 million over two years to supplement the current State Clean Diesel grant program, which provides up to a 50 percent rebate to truckers who install clean diesel technology..

The department will be soliciting grant applications for the diesel emissions reductions section of ARRA funding through our existing Clean Diesel Grant program.

Environment and Conservation is developing an application with specific criteria that applicants must adhere to in order to receive the funding for emission reduction units.

All ARRA funds through this program must be awarded by Sept. 30, 2010.

- We anticipate reaching out to the Tennessee Truckers Association and the Independent Truckers Association to make them aware of the grant opportunity the first week of April.
- TDEC expects to receive the actual funding from EPA on April 17.
- We anticipate receiving applications by the end of April and turning funding around quickly. We are hopeful to have the first grant rebate out in May 2009.

Leaking Underground Storage Tank Funding

ARRA FUNDS: Tennessee has applied for \$5.042 million in LUST grant funding to clean up eligible leaking underground storage tank sites.

The department has submitted a list of projects to EPA for funding to clean up leaking underground storage tanks. The department expects to receive this ARRA funding around April 1, 2009. All ARRA funds through this program must be spent by Sept. 30, 2011 and at least 50 percent must be obligated in the first year.

Brownfields Assessment and Cleanup

ARRA FUNDS: EPA provides grants and revolving loan funding directly to communities; funding will not go through Environment and Conservation.

EPA will provide grants directly to communities based on applications received in Nov. 2008 through the existing grant program. Eight Tennessee communities/coalitions have applied for 14 grants totaling \$5,054,670.

Superfund Hazardous Waste Cleanup

ARRA FUNDS: These cleanup funds will go directly into the federal pipeline for National Priorities List (NPL) sites and will not go through Environment and Conservation.

This part of ARRA will be managed directly through EPA. We understand the U.S. Department of Energy's Oak Ridge Reservation NPL site may receive approximately \$600 million to be spent over 3 years on accelerating the Integrated Facilities Disposition Program.

Summer Youth Jobs in the ARRA

ARRA FUNDS: Twenty-five (25) million dollars in funding is available for the Summer Youth Jobs Program in Tennessee.

More than 10,000 jobs will be available for disadvantaged youth between the ages of 14 and 24 for summer work between June 6 and August 7, 2009. Some of these positions will be at Tennessee State Park and State Historic Sites.

The **Tennessee Department of Labor and Workforce Development** will be the hiring agency for the Summer Youth Jobs program.

For more information on Summer Youth Jobs call the Tennessee Department of Labor and Workforce Development at 1-800-255-5872.

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